Claims:

1. A method of reducing pollution of a pollutant, comprising:

determining a marginal cost (m1) for reducing one pollution unit of the pollutant;

determining a futures cost (n1) for one pollution unit of the pollutant;

setting the pollution fee (s1) to be the same as the futures cost (n1) of the pollutant;

in a comparison unit, comparing the marginal cost (m1) with the futures cost (n1);

when the marginal cost (m1) is less than or the same as the futures cost (n1), invest in pollution reducing equipment to reduce pollution from a first quantity (x1) to a second quantity (x2), the difference between the first quantity (x1) and the second quantity (x2) being a delta quantity (d);

selling the delta quantity (d) of futures at futures cost (n1);

changing futures cost from (n1) to (n2);

at a termination of futures contract term, buying back delta quantity (d) of futures at futures cost (n2); and

determining a total cost (T1) by adding the pollution fee (s1) and the delta quantity (d) multiplied by a difference between futures cost (n2) and futures cost (n1).

2. The method according to claim 1 wherein the method further

comprises paying a pollution fee (s1) at a beginning of time period (t1).

3. The method according to claim 2 wherein the method further comprises paying a pollution fee (s2) at a beginning of time period (t2).

4. The method according to claim 1 wherein the method further comprises buying futures equivalent to the first pollution quantity (x1) at the futures cost (n1) when the marginal cost (m1) is greater than the futures cost (n1).

5. The method according to claim 4 wherein the method further comprises calculating a fee (s3) as the futures cost (n2) multiplied by the first quantity (x1) and paying the fee (s3) at the end of time period (t2).

6. The method according to claim 5 wherein the method further comprises selling the first quantity (x1) of futures at the futures cost (n2).

7. The method according to claim 6 wherein the method further comprises determining a total cost (T2) by adding the fee (s1) and the fee (s3) and the quantity (x1) multiplied by the difference between the futures cost (n2) and the futures cost (n1).